

---

## EXHIBIT 3

---

### COASTAL CONSERVANCY

Project Summary  
January 23, 2003

### FARMONT RANCH ACQUISITION

File No. 02-134  
Project Manager: Peter S. Brand

**RECOMMENDED ACTION:** Authorize acceptance of funds from the Resources Agency, and disbursement of up to \$3,100,000 to the Ojai Valley Land Conservancy for the acquisition of interests in Farmont Ranch, including three miles of the Ventura River, 1,406 acres in fee, and a conservation easement over 150 acres, and for related costs and studies.

**LOCATION:** The Ventura River adjacent to the City of Ojai in the County of Ventura (Exhibit 1)

**PROGRAM CATEGORY:** Coastal Resource Enhancement.

<b>ESTIMATED COST:</b> Acquisition	\$3,000,000
Plan and Pre-acquisition costs	<u>100,000</u>
Project Total	\$3,100,000

Anticipated Sources of Conservancy funds:

Resources Agency grant from River Parkway Program (Prop 40)	\$1,000,000
Salmonid Habitat Restoration Program (Prop. 12)	<u>2,100,000</u>
Total	\$3,100,000

**PROJECT SUMMARY:** The proposed project would provide a grant to the Ojai Valley Land Conservancy (OVLC) for the acquisition of a 1,556-acre ranch on the Ventura river next to Ojai and for the preparation of a public access, resource management and restoration plan for the property. The acquisition cost of 1,406 acres in fee and 150 acres under conservation easement is \$3 million, based on a fair market value appraisal of these interests. The property includes three miles of Ventura River and five miles of tributary stream as well as mature riparian forest and dense oak woodlands. Farmont Ranch, visible for miles up and down the

Ojai Valley, will be the largest conservation acquisition in the history of Ventura County (see Exhibit 2).

The National Marine Fisheries Service describes this property as “extremely productive [steelhead] spawning and rearing habitat.” For the Sake of the Salmon fisheries experts state: “Preserving this land is crucial to the recovery of the Ventura River population of the southern steelhead trout.” (Exhibit 3) A 1995 survey of Ventura River found the highest occurrence of steelhead on this property. This critical migration corridor and staging area is just downstream of Robles Diversion Fish Ladder and Matilija Dam where substantial public funds are being invested in the recovery of the steelhead. This acquisition would protect three miles (20 percent) of the 15-mile-long main stem of the Ventura River.

Along with saving river and riparian habitat that may make the difference in the survival of the southern steelhead, acquisition would protect Farmont Ranch from development, allow for restoration of damaged habitat, and provide access to recreational trails that extend the entire length of the central coast.

The property is currently threatened by a development proposal as well as by existing land use practices. Estate homes and a golf course have been proposed for the property, and the developer/owner is proceeding with securing development approvals in the event that the funding required for public acquisition cannot be obtained. Overgrazing of the forest and meadows, irrigation, farm roads, impoundments, and trespass are causing erosion and sedimentation problems on the property that are of particular concern to the restoration of the steelhead.

Among the revegetation and restoration projects being considered by the OVLC, is the conversion of an existing 50-acre orchard back to riparian forest. The dense oak forest in Wills Canyon is one of the best examples in the region and represents a potential model for oak forest restoration (by controlling or eliminating grazing) in southern California. The property is a key wildlife corridor for large mammal species between the river and the vast Los Padres National Forest.

No recreational access currently exists on the west side of the Ventura River. Trails across the river and through the property into the national forest would allow hikers and horseback riders to walk all the way to Big Sur.

The public access and resource management plan to be prepared by OVLC will address the potential for restoration of the orchard as riparian habitat, stabilization and revegetation of ar-

eas damaged by grazing, elimination of exotics, removal of diversion dams, recreational guidelines, and rebuilding of trails and roads to prevent erosion or impacts on sensitive areas.

The Conservancy's proposed grantee, Ojai Valley Land Conservancy, has signed a purchase agreement and has borrowed funds to make payment of initial deposits amounting to \$100,000 through December 5. The third and final deposit toward the purchase price, necessary to preserve OVLC's right to purchase the property, is due in early March. OVLC urgently needs a commitment of acquisition funds in order not to lose the brief opportunity offered by the developer/owner. OVLC is committed to long-term stewardship of the property and has made substantial progress in raising an endowment for its operation and maintenance.



**COASTAL CONSERVANCY**

Staff Recommendation  
January 23, 2003

**FARMONT RANCH ACQUISITION**

File No. 02-134  
Project Manager: Peter S. Brand

**STAFF**

**RECOMMENDATION:** Staff recommends that the State Coastal Conservancy adopt the following Resolution pursuant to Sections 31251 *et seq* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed three million one hundred thousand dollars (\$3,100,000) to the Ojai Valley Land Conservancy for the acquisition of interests in Farmont Ranch including 1,406 acres in fee and 150 acres under a conservation easement, as described in Exhibits 1 and 2 of the accompanying staff recommendation, for related acquisition costs, and for preparation of a public access, restoration and resource management plan for the property. The State Coastal Conservancy further authorizes the acceptance of funds from the Resources Agency and other sources to defray or reimburse the Conservancy’s costs of acquisition, restoration or planning of the Farmont Ranch property. This authorization is subject to the following conditions:

1. Prior to the disbursement of any funds for acquisition, the Executive Officer shall review and approve all title and acquisition documents including but not limited to the appraisal, agreement of purchase and sale, the grant deed and conservation easement, escrow instructions and documents of title; and a signing plan for the property acknowledging Conservancy and Proposition 12 funding;
2. The Ojai Valley Land Conservancy shall pay no more than fair market value for the property, as established by an appraisal approved by the Executive Officer; and
3. The property shall be permanently protected for public access, open space and habitat conservation in a manner

acceptable to the Executive Officer and in accordance with Public Resources Code Section 31116(b).”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the purposes and criteria set forth in Chapter 6 of the Division 21 of the Public Resources Code (Sections 31241-31270) regarding enhancement of coastal resources.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The portion of the Ventura River that is within the Coastal Zone is identified as a significant and environmentally sensitive resource requiring public action to resolve existing and potential resource problems.
4. The Ojai Valley Land Conservancy is a private, non-profit organization existing under the provisions of Section 501(c)(3) of the U.S. Internal Revenue Code, and having purposes consistent with Division 21 of the Public Resources Code.
5. The Conservancy is authorized under Section 31104 of the Public Resources Code to apply for and accept financial grants and financial support from public and private sources.”

---

**STAFF DISCUSSION:**

**Project Description:** The proposed project would provide a grant to the Ojai Valley Land Conservancy for the acquisition of a 1,556-acre ranch on the Ventura river next to Ojai. The acquisition cost is \$3 million for 1,406 acres in fee and a conservation easement over the remaining 150 acres surrounding two five-acre building sites that the current owner will retain. The property includes three miles of Ventura River (bank to bank/one-half mile width) and five miles of tributary stream as well as mature riparian forest and dense oak woodlands. (Exhibit 2)

The conservation easement will protect open space and habitat on two parcels with allowances for two residential building sites of five acres per parcel, which shall be located away from sensitive resource areas and the most desirable public access

areas. The Ojai Valley Land Conservancy would retain the right to approve the final location of each five-acre site. The seller would also retain the right to build a one- to two-acre reservoir within the easement area at a location approved by the OVLC, for purposes of storing irrigation water serving adjacent agricultural property. Access to the homes will be provided from adjoining private property. No development would be permitted outside the building and reservoir sites, and any further subdivision of the property retained by the seller would be prohibited. The 1,406 acres to be acquired by OVLC in fee will be permanently protected and dedicated to public access, open space, and habitat conservation uses. In addition, 400 acres of meadows adjoining the acquisition area have been purchased by a conservation buyer who intends to conserve them consistent with the protection of Farmont Ranch.

The project includes funding for a public access, resource management and restoration plan to be prepared by OVLC. The plan will address the potential for restoration of the orchard as riparian habitat, stabilization and revegetation of areas damaged by grazing, elimination of exotics, removal of diversion dams, and rebuilding of trails and roads to prevent erosion or impacts on sensitive areas. It will identify locations of public access trails and support facilities (such as parking areas), and include guidelines for recreational use of the property by the public.

OVLC has over 1,000 members. It has conducted three successful capital campaigns to purchase local open space and has raised \$450,000 in the past for stewardship of its other conservation properties. OVLC has raised \$270,000 already as an endowment fund for long-term operation and maintenance of the Farmont Ranch.

The property is currently accessed by private roads that OVLC would continue to use for management, maintenance, and monitoring purposes. Public access to the property is available from Meyer Road, an unmaintained county road to the northeast. Two other public access points are planned, one at the downstream end and one potentially in the middle. The two on the north and south are on currently existing publicly owned rights-of-way, one owned by Caltrans and one by the County of Ventura, and the private landowner at the third potential access point has indicated its willingness to negotiate with OVLC to provide trail and parking easements that would provide for public use if the property is acquired.

The project will protect extremely productive steelhead spawning and rearing habitat. This critical migration corridor is just downstream of Robles Diversion Fish Ladder and Matilija Dam where substantial public funds are being invested in the recovery of the steelhead. Acquisition of the Farmont Ranch would permanently protect three miles (20 percent) of the 15-mile-long main stem of the Ventura River which, along with the Santa Clara River and the Santa Ynez, are the only rivers in southern California where steelhead remain. Currently the property is the migration route and staging area for steelhead trying to get to North Matilija Creek via the Robles fish ladder and to San Antonio Creek, major tributaries of the Ventura River. During most years, several large perennial pools, some of the biggest on the main stem, exist on site. These pools are very important to steelhead providing resting habitat for upstream migrating adults when flows drop.

The Department of Fish and Game and the National Marine Fisheries Service are very supportive of protection of the property. The National Marine Fisheries Service describes this property as “extremely productive [steelhead] spawning and rearing habitat.” For the Sake of the Salmon fisheries experts state: “Preserving this land is crucial to the recovery of the Ventura River population of the southern steelhead trout.” A 1995 survey of Ventura River found the highest occurrence of steelhead on this property. This critical migration corridor and staging area is just downstream of Robles Diversion Fish Ladder and Matilija Dam where substantial public funds are being invested in the recovery of the steelhead.

The project also meets the draft criteria for High Priority projects of the Southern California Wetlands Recovery Project

Along with saving river and riparian habitat that may make the difference in the survival of the southern steelhead, acquisition would protect Farmont Ranch from development, allow for restoration of damaged habitat, and provide access to recreational trails of the Los Padres National Forest that extend the entire length of the central coast.

The property is currently threatened by a development proposal—the current owner has proposed subdivision of the property into ten residential parcels, and will proceed with its application if the sale to OVLC does not occur—as well as by existing land use practices. Ongoing farming practices are damaging the natural vegetation and the river. Overgrazing of the forest and meadows, irrigation, farm roads, impoundments, and trespass are causing erosion and sedimentation problems



on the property of particular concern to the restoration of the steelhead. Acquisition and management of the Ranch for resource protection and public access purposes would reduce or eliminate these impacts. Among the revegetation and restoration projects being considered by the OVLC is the conversion of an existing 50-acre orchard back to riparian forest.

Farmont Ranch includes within it the key components of Ventura River ecosystem: three miles of river bottom, adjacent flood plain, and five miles of critical tributaries. The dense oak forest in Wills Canyon is one of the best examples in the region and represents a potential model for oak forest restoration (by controlling or eliminating grazing) in southern California. The project will protect relatively intact examples of riparian, oak woodlands/savanna/forest, chaparral, flood plain, and grasslands habitats and a key wildlife corridor along the river and between the river and the vast Los Padres National Forest.

No recreational access currently exists on the west side of the Ventura River. Trails through the property would allow hikers and horseback riders access to national forest trails extending to Big Sur. The continuous oak canopy on the hills above the river provides shade in summer and will be very popular for trail users.

Opportunities for further protection and restoration exist from the estuary to this property. At the behest of the City of Ventura, the Conservancy has analyzed two properties for acquisition that are located above Emma Wood State Beach. Several landowners upstream have contacted the Ojai Valley Land Conservancy, the City of Ventura, or the Coastal Conservancy expressing some interest in sale of their properties in and adjoining the floodplain. Several reaches of the river are already public owned. Like the nearby Santa Clara River Parkway project, acquisition and restoration of properties in the Ventura River floodplain could help restore steelhead habitat, prevent further sand and gravel mining, obviate construction of flood protection structures, eliminate or set back existing levees thereby reducing flooding, restore riparian habitat on currently farmed acreage in the floodway, and provide a continuous wildlife corridor.

**Project Financing:** The Resources Agency has approved the allocation of \$1,000,000 of river parkway funds derived from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 ("Proposition 40") and appropriated to it in the 2002-2003 budget for this project. Staff anticipates that the balance of funds will be provided from appropriations to

the Conservancy of funds derived from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund ("Proposition 12") and earmarked for projects that protect, restore, acquire and enhance habitat for salmon, and potentially from Proposition 40.

The grant includes an amount not to exceed \$100,000 to cover acquisition-related costs such as appraisal, legal, and closing costs incurred by the land trust, and for preparation of the property management plan.

**Site Description:** The property is 1,566 acres including three miles of Ventura River (bank to bank; one-half mile width) and five miles of tributary stream as well as mature riparian forest and dense oak woodlands. This scenic property is surrounded to the west and north by the Los Padres National Forest.

In addition to being critical spawning and rearing habitat for the southern steelhead, the property is the migration route and staging area for steelhead trying to get to North Matilija Creek via the Robles fish ladder and to San Antonio Creek, major tributaries of the Ventura River. During most years, several large perennial pools, some of the biggest on the mainstem, exist on site. These pools are very important to steelhead providing resting habitat for upstream migrating adults when flows drop

Farmon Ranch includes within it the key components of Ventura River ecosystem: three miles of river bottom, adjacent flood plain, and five miles of critical tributaries. The dense oak forest in Wills Canyon is one of the best examples in the region and represents a potential model for oak forest restoration (by controlling or eliminating grazing) in southern California. Plant diversity is high since the property contains relatively intact examples of riparian, oak woodlands/savanna/forest, chaparral, flood plain, and grasslands habitats.. It is a key wildlife corridor for large mammals along the river and between the river and the vast Los Padres National Forest. The continuous oak canopy on the hills above the river provides shade in summer and will be very popular for daily use.

**Project History:** The Ventura River Property was once part of Rancho Santa Ana, a Mexican land grant. During the late 1800s the property was purchased by W.I. Rice and named "El Nido" Ranch, the Spanish word for nest. The property was then again sold to the Baldwin family and held from 1927 until the early 60s. In the late 70s and early 80s a portion of the larger ranch was developed into the exclusive "Rancho Matilija" community. In the

late 80s, a Japanese developer purchased 2,000 acres of the ranch and proposed an exclusive golf course and several homes. He was successful in receiving approval for his project; however his illness and the sluggish Japanese economy prevented the project from going forward. The Farmont Ranch property was then purchased in 1998 by Intell Development and Management Company from New York. Intell's vision was for a public golf course and several dozen estate homes. After many successes and failures, the Intell Group in April 2002 decided to sell 400 acres of the ranch to a private individual and entered into negotiations with the Ojai Valley Land Conservancy on the remaining 1,566 acres of land. OVLC was successful in negotiating an agreement within two months and entered into a purchase agreement in October 2002. OVLC is now seeking funding from the Coastal Conservancy to complete the acquisition, and mounting an aggressive fundraising campaign in the Ojai Valley and Ventura County for stewardship donations.

**PROJECT SUPPORT:** The Farmont Ranch project is supported by Assemblymembers Hannah Beth Jackson and Fran Pavley (Exhibit 4), Ventura County Supervisor Steve Bennett, the National Marine Fisheries Service, and the State Department of Fish and Game. There is very strong community support for open space and environmental efforts in the Ojai Valley. OVLC has over 1,000 members and has conducted three successful capital campaigns to purchase local open space. OVLC has begun raising an endowment fund for long-term operation and maintenance of the property.

**CONSISTENCY WITH  
CONSERVANCY'S  
ENABLING LEGISLATION:**

This project is undertaken pursuant to the Conservancy's enabling legislation, Division 21 of the Public Resources Code; in particular Chapter 6 (Public Resources Code Sections 31251-31270).

Consistent with Section 31251, the Conservancy may award grants to public agencies and nonprofit organizations for the enhancement of coastal resources that have suffered losses of natural and scenic values as a result of human actions. Grants under this chapter may be used for the assembly of parcels of land within coastal resource enhancement areas to improve resource management, for relocation of improperly located or designed improvements and for other corrective measures, all of which can be achieved through acquisition of this property.

The grant of funds to the Ojai Valley Land Conservancy for acquisition of the Farmont Ranch property is consistent with Section 31251, which provides that the cost of acquiring lands within coastal resource enhancement areas may be funded through the Conservancy.

Pursuant to Section 31251.2, in order to enhance the natural character of coastal resources within the coastal zone, the Conservancy may undertake a project or award a grant to enhance a watershed resource partly outside the coastal zone. The Farmont Ranch acquisition project will result in improved coastal resource management and will enhance the natural and scenic character of the Ventura River and its watershed. It will preserve and provide opportunities to restore critical areas of the river for the benefit of migrating steelhead. The Ventura River has suffered a loss of habitat values as a result of land use and flood control practices. Unless alternatives are developed that reduce these losses, habitat will continue to degrade.

Consistent with Section 31252, the tidal portion of the Ventura River is identified in the City of San Buenaventura's certified Local Coastal Program as needing public action to resolve existing and potential resource problems.

Consistent with Section 31253, the level of Conservancy funding for this project has been determined through consideration of the total amount of funding available for coastal resource projects, the relative urgency of the project, and other factors prescribed by the Conservancy, as detailed below.

CONSISTENCY WITH  
CONSERVANCY'S  
PROJECT SELECTION  
CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

**Required Criteria**

**Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.

**Consistency with the purposes of the funding source:** The project would use River Protection Program funds provided to the Resources Agency from the Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund. The project would also draw on appropriations to the Conservancy of funds for the Salmon Habitat Restoration Program from the Clean Air, Safe

Neighborhood Parks, and Coastal Protection Fund. The project is consistent with the purposes of this fund which include the protection, restoration, acquisition and enhancement of salmonid habitat. Consistent with Proposition 12 considerations, the project would not adversely affect air quality and could have air quality benefits by eliminating the possibility of residential construction on over 1,500 acres currently in open space.

**Support from the Public:** The project is supported by the federal and state resource agencies, environmental and other special interest groups, and local residents.

**Location:** The project benefits coastal resources, specifically the Ventura River and its estuary, because it provides protection for spawning anadromous fish. The project also offers opportunities for recreational trails connecting the river, coastal, and inland areas.

**Need:** Coastal Conservancy assistance is needed to acquire the property. No other agency has the funding available to buy the property.

#### **Additional Criteria**

**Urgency:** The property is currently threatened by a development proposal as well as by existing land use practices. Estate homes and a golf course have been proposed for the property and the developer/owner is proceeding with securing development approvals in the event that the funding required for public acquisition cannot be obtained. The OVLC needs a timely commitment of acquisition funds to support immediately needed preacquisition fundraising and other activities.

**Greater-than-local interest:** The property will provide access to the west side of the Ventura River and to the Los Padres National Forest for residents and visitors to Ventura County. Salmonid protection and restoration is also a statewide and national issue.

**Resolution of more than one issue:** Habitat enhancement and restoration will help resolve problems of erosion, sedimentation, and overgrazing on the property. Upon acquisition, riparian forest can be restored and Oak woodlands enhanced. Once acquired, the property will also include new trails and recreational opportunities. Steelhead habitat will be protected.

**Cooperation:** Local environmental and community groups have been working with the OVLC for many years to support preservation and restoration of this property and are expected to continue to do so.

**CONSISTENCY WITH**

**THE COASTAL ACT:** The proposed project would be consistent with the following specific policies of the Coastal Act:

Public Resources Code Section 30231 states that the “biological productivity and the quality of coastal waters, streams, wetlands, estuaries and lakes appropriate to maintain optimum populations of marine organisms . . . shall be maintained and, where feasible, restored. . . .”

Public Resources Code Section 30240 states that “environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.”

The City of San Buenaventura Local Coastal Program and the County of Ventura’s certified Local Coastal Programs identify the Ventura River as an environmentally sensitive resource that should be protected and restored.

**COMPLIANCE**

**WITH CEQA:** Acquisition of this property is categorically exempt from review of environmental impacts under the California Environmental Quality Act (CEQA) because the transfer of ownership or interest in land is for the purpose of preserving open space (14 Cal. Code of Regulations, Section 15325) and for fish and wildlife conservation purposes, including preserving access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition (14 Cal. Code of Regulations, Section 15313). The proposed restoration plan is statutorily exempt from the provisions of the California Environmental Quality Act under 14 Cal. Code of Regulations, Section 15262, in that it involves only feasibility analyses and planning studies. A notice of exemption will be filed by staff following project authorization.